GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2707
ANSWERED ON:16.12.2004
REVENUE EARNED BY RAILWAY THROUGH FREIGHT TRAFFIC
Adsul Shri Anandrao Vithoba

Will the Minister of RAILWAYS be pleased to state:

(a) the revenue earned by the Railways through freight traffic during 2003-04 and 2004-05, till date;

(b) the revenue growth registered by the railways in percentage during the last three years, year-wise;

(c) the reasons for under utilization of capacity, if any; and

(d) the steps taken by the railway to increase its share in freight traffic?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI R. VELU)

(a): The revenue earned by the railways through freight traffic during the 2003-04 and 2004-05 is as under:-

YEAR	AMOUNT
2003-04	Rs.27617.96 Crore
2004-05 (upto Oct.04)	Rs.16853.65 Crore

(b): The growth in respect of freight revenue during the last three year is as under:-

YEAR	GROWTH (in %age)
2001-02	6.61
2002-03	6.68
2003-04	4.20

(c): There has been no under utilization of capacity.

(d): In order to increase rail share, the process of rationalisation of freight structure was initiated in the Railway Budget 2002-03 and is being continued. In the Railway Budget 2003-04, freight rates for certain high-rated commodities were reduced to attract more traffic to rail.

Some of the other steps taken to get more traffic by the Railways are as under:

i) Number of Classes for freight rates has been reduced from 59 to 27.

ii) Highest Class has been reduced from Class-300 to Class-250.

iii) Classification of POL, Iron & Steel etc. have been suitably reduced.

iv) Train-load classification has been extended to all commodities.

v) Powers of GMs have been enhanced to grant freight concessions upto 24% to quote Station-to-Station rates.

vi) Incentive of 2% rebate on every Rs.5 crore net additional freight earnings has been granted for Premier Customers, generating an originating earnings of at least Rs.25 crores p.a. from their sidings for commodities in Class-135 and above.

vii) A rebate of 10% in freight charges for the transportation of heavy machinery consignments by special trains in a special type of wagons owned by the customers has been granted.

viii) MoU has been signed with CWC to develop a network of 22 freight terminals to provide single-window service, including loading/unloading, storage and road-bridging at the originating and destination points.

ix) The benefit of train load rate for booking of `two-point` block rakes has been granted for the entire distance of transportation on end to end basis.

x) Customers have been allowed clubbing up to 12 consignments in a Broad Gauge 8-wheeler wagons.